

EXHIBIT “J”

PORTION OF
LEON VALLEY CITY COUNCIL MEETING
OF
MARCH 4, 2008

1 MAYOR RILEY: Under action agenda item number 8
2 we have a public hearing to consider zoning case number
3 08-380 with attached ordinance, a request by Patrick
4 Christensen, agent for Goldstar Trust Company,
5 applicant and property owner, to rezone approximately
6 3.803 acres of land from B-2 retail to B-3 commercial,
7 being lot 4CB4429J, Seneca Estates subdivision, unit
8 number 7, located at 6401 Bandera Road. On February
9 26, 2008 the zoning commission recommended denial of
10 the request by a vote of six to one and Amy Madison,
11 our development -- community development director is
12 here this evening and welcome.

13 MS. MADISON: Thank you, Mayor and members of
14 the City Council. I'm glad to be here this evening for
15 our public hearing. If I can figure out how to run
16 this thing. Tonight we're considering zoning case
17 number 08-380, a request and location. The request is
18 by Patrick Christensen, who's the agent for the
19 applicant Goldstar Trust Company. They are asking to
20 rezone approximately 3.803 acres from B-2 retail to B-3
21 commercial. It is addressed at 6401 Bandera Road and
22 lot description 4CB4429J, Seneca Estates unit 7. This
23 just tells you where it is located on -- on Bandera
24 Road and the surrounding properties. The background on
25 the property. In 1963 it was the site of the Seneca

1 Country Club and during the commission meeting there
2 were actually a couple that actually knew or had been
3 to the Seneca Country Club. In 1969 the property was
4 zoned R-1 to B-2. So, that was the first time it was
5 zoned B-2 in the city. 1996 SUP was obtained for
6 operation of the Church on the Rock. In 1998 an SUP
7 was obtained for operation of a school and in 2006 SUP
8 was obtained for a childcare facility. The 2003 master
9 plan identifies and addresses this area in general. It
10 encourages B-2 retail to a depth of 200 feet along
11 Bandera Road and it discourages rezoning to B-3
12 commercial. This has been the way of this master plan
13 since 1991. It has consistently encouraged B-2 retail
14 along Bandera and discouraged the rezoning to B-3.
15 This shows you a little bit more about the area. The
16 surrounding zone consists to the north of developed R-3
17 multiple-family dwelling, Sierra Royale; and R-1
18 single-family dwelling. To the south is developed B-2
19 retail and B-3 commercial. To the east is developed
20 B-2 retail, Sunset Funeral Home; and developed R-2
21 two-family and R-4 townhouse zoning and to the west is
22 developed and undeveloped R-1 single family dwelling.
23 Obviously, it's all color coded according to those
24 zones. The agent for the applicant postponed
25 discussion of the rezoning case to create restrictive

1 covenants for the property. The city attorney reviewed
2 the covenants and it's noted they cannot be enforced by
3 the City. The attorney's also noted that a variance
4 for special exception from the board of adjustment is
5 not applicable to zoning uses. The city attorney also
6 noted the request to rezone from B-2 to B-3 is the only
7 option for the applicant. However, the request is not
8 consistent with the master plan and the current zoning
9 of B-2 retail is still recommended along Bandera Road.
10 On February 26th, 2008 the zoning commission did
11 recommend denial and I have with me this evening our
12 chairman. Chairman Guerra, would you like to come up
13 and let them know your vote, although it's on the
14 screen. I just thought you needed the exercise.
15 Sorry.

16 CHAIRMAN GUERRA: Actually, it was six to one.

17 MS. MADISON: Six to one, yeah.

18 CHAIRMAN GUERRA: Yes. Okay. And primarily it
19 was because it isn't consis -- the request is not
20 consistent with our master plan and the commission felt
21 that it was important to maintain this -- this
22 corridor, which is our prime economic development
23 corridor within the community. To maintain it for that
24 purpose and so therefore they denied the request.

25 MS. MADISON: Thank you. I think I also noted

1 you had quite a number of citizens who addressed the
2 council at that -- I mean the zoning commission at that
3 time.

4 CHAIRMAN GUERRA: We had a fair number.

5 MS. MADISON: A fair number.

6 CHAIRMAN GUERRA: We had -- in terms of those
7 people who indicated their disfavor or favor of the
8 proposal, we had a fair number of letters that
9 indicated they were against the proposal.

10 MS. MADISON: Uh-huh. Right. Okay. Thank
11 you. Appreciate it.

12 UNIDENTIFIED FEMALE: He said they were against
13 what?

14 MAYOR RILEY: They were against the B zoning,
15 the proposal.

16 MS. MADISON: Yeah. And to that point,
17 Chairman, we had 25 letters that were mailed to
18 property owners, zero received in favor. We did have
19 11 in opposition. Two were duplicates and zero were
20 returned undeliverable. We did have also 34 outside
21 the 200 foot radius. So, are there any questions from
22 council?

23 UNIDENTIFIED FEMALE: Did we extend the
24 boundary in this area more than 200 feet for
25 notification? I guess we did, right?

1 MS. MADISON: No, we did not.

2 UNIDENTIFIED FEMALE: Well, then how did those
3 34 --

4 MS. MADISON: The letters were mailed to the
5 200 feet, but -- at least I'm not aware of that because
6 I was not here when they did that.

7 UNIDENTIFIED FEMALE: Okay.

8 MS. MADISON: But I do not believe that was,
9 Chairman. I don't believe they extended it, but we did
10 receive letters anyway.

11 UNIDENTIFIED FEMALE: I was just curious. 34
12 people --

13 UNIDENTIFIED MALE: Word of mouth.

14 UNIDENTIFIED FEMALE: Word of mouth?

15 UNIDENTIFIED MALE: (Inaudible).

16 UNIDENTIFIED FEMALE: Because I know we have
17 that special provision now if we think we need to
18 increase the area of notification, we will do that.
19 So, I was just curious if we did that.

20 UNIDENTIFIED MALE: And what we did, we zeroed
21 that neighborhood area. There were a fair amount of
22 people who showed up at our meeting indicating a real
23 interest in what's happening (inaudible).

24 UNIDENTIFIED FEMALE: Uh-huh. Uh-huh. Very
25 good. Okay.

3/4/2008

Page 7

1 UNIDENTIFIED MALE: Most of those were on Rue
2 Francois, which is --

3 UNIDENTIFIED FEMALE: Rue Francois. Yeah.
4 Uh-huh. Right behind it, right.

5 UNIDENTIFIED MALE: What -- do we know what --
6 what was the axiom of the 34? You said there's 34
7 others or --

8 MS. MADISON: You know, I do not have that
9 information for you this evening and certainly because
10 the law does require 200 --

11 UNIDENTIFIED MALE: (Inaudible) worried about
12 traffic count.

13 MAYOR RILEY: Okay. Well, let's open it up to
14 either Ms. Madison or its representative. We have a
15 representative of the Goldstar Trust Company and who
16 would that be? I know you're not Patrick Christensen
17 because I know who he is.

18 MS. MADISON: I'll let them introduce
19 themselves.

20 MAYOR RILEY: Okay. Very good. Good evening
21 and welcome. If you'll introduce yourself, please,
22 sir.

23 MR. GRIFFIN: Thank you. My name's James
24 Griffin.

25 UNIDENTIFIED FEMALE: James Griffin.

3/4/2008

Page 8

1 MR. GRIFFIN: I'm with Brown, PC. Patrick
2 couldn't make it tonight. He had a different
3 obligation. We represent the applicant, which is
4 Goldstar.

5 MAYOR RILEY: Okay.

6 MR. GRIFFIN: And Goldstar acquired this
7 property thinking that they did have those
8 nonconforming use rights, which turns out they did not.
9 They're hoping to either sell or lease the church back
10 to Church on the Rock; and, really, as -- if y'all are
11 familiar with the property, it can really only be used
12 for a church. The demolition cost would be
13 astronomical. Goldstar wouldn't be able to make up
14 their money selling the property for any other use;
15 but, basically -- and it's our opinion that it -- the
16 use is actually consistent with the master plan because
17 at the time of the master plan churches were allowed in
18 the B-2 use. It was only in the zoning ordinance
19 change a couple of years ago that the City of Leon
20 Valley changed the zoning where churches were only
21 allowed in B-3; and that's the only reason that we're
22 asking for this change of zoning is so we can keep this
23 property to be used as a church, which it has been for
24 the past 10 years or so. And we're not -- you know,
25 there's not going to be a net gain of churches in your

3/4/2008

Page 9

1 city. We just, like I said, want to keep this church
2 that's operated there. And also the restrictive
3 covenants, we've -- they've been filed and they're
4 contingent upon the passage of this zoning case; but
5 they eliminate every other use in a B-3 except for a
6 church. So, really, by this zoning change all you
7 would be allowing was that church to just continue to
8 operate in that area.

9 MAYOR RILEY: Okay. Excuse me, Mr. Griffin.
10 Do you all have a contract on the property? Does
11 Goldstar have a contract with another church to
12 purchase it or --

13 MR. GRIFFIN: No, Goldstar is just in
14 discussions with the Church on the Rock.

15 MAYOR RILEY: Okay. So you have no contract?

16 MR. GRIFFIN: No, I do not believe.

17 MAYOR RILEY: Okay. All right. And I
18 believe -- I thought our city attorney said that we
19 could not do -- isn't it contract zoning when you file
20 these deeds?

21 UNIDENTIFIED MALE: Spot zoning.

22 MAYOR RILEY: Yes. I mean, would you address
23 that, please.

24 MR. ONION: Thank you, Mayor. The zoning law
25 in the state of Texas bans a particular piece of

3/4/2008

Page 10

1 property where you just take it out of the master plan
2 without sufficient reason and zone it something
3 different and just to allow that particular property to
4 be spot zoned without having any other basis for it
5 other than -- than the property owner wants it that way
6 and that could be subject to challenge.

7 MAYOR RILEY: Okay. All right.

8 UNIDENTIFIED MALE: Challenged by whom, if I
9 may, Your Honor?

10 MAYOR RILEY: Good. Go ahead. I was just --

11 MR. ONION: The spot zoning could be challenged
12 by other property owners that are affected around it.
13 The citizens could challenge that. Unlike the -- the
14 City could not enforce the restrictive covenants which
15 have been filed in this case, as well as -- since the
16 property owners, even though they are named in this
17 restrictive covenant, they have not agreed to the
18 restrictive covenants and therefore if they even
19 attempted to enforce the restrictive covenant, they --
20 the restrictive covenants would be set aside for lack
21 of consideration because there was no -- there was
22 no -- if it was a gift there was no acceptance and
23 there's no acknowledgment by the property owners that
24 they're accepting these restrictive covenants. So,
25 even if the residents that were behind this property

3/4/2008

Page 11

1 wanted to enforce it, they would probably end up losing
2 at this point. So, I don't believe -- and more
3 importantly than that, the City cannot in any form or
4 fashion enforce these restrictive covenants. So, in
5 effect, if you -- if it was ever made a B-3 under the
6 guise, well, it could only be used as a church, --

7 MAYOR RILEY: Only be used a church.

8 MR. ONION: -- these restrictive covenants
9 aren't enforceable certainly by the City and you would
10 have anything under B-3 would then be allowed to be in
11 there.

12 UNIDENTIFIED MALE: Right.

13 MAYOR RILEY: Okay.

14 UNIDENTIFIED MALE: Okay. Could I --

15 MAYOR RILEY: Yes, sir, please.

16 UNIDENTIFIED MALE: And, actually, this action
17 may be for the chairman of the zoning. The comments
18 that were made against the rezoning were the comments
19 from neighbors or whoever showed along the lines of we
20 don't want all of these B-3 businesses there or were
21 the comments along the lines of we don't want a church
22 there, because it's been a church and I don't remember
23 people complaining about it when it became a church at
24 first. Mr. Chairman, what say you?

25 CHAIRMAN GUERRA: You're right, it's been a

3/4/2008

Page 12

1 church for some time and as I indicated, when we did
2 our review of that neighborhood and I stated there was
3 some interest in that particular piece of property,
4 most of that comment dealt with the architecture of the
5 building and -- and there was a lot of discussion about
6 we were told that it was going to be designed this way
7 and then it was designed this way; and so they weren't
8 exactly -- they didn't come out and say they were
9 against the church, but they had some feelings about
10 the way that property was designed and what they had
11 been told previously. The matter concerning churches,
12 it's something that we discussed at the zoning
13 commission when we went through our zoning ordinance to
14 update it and we felt that obviously churches are an
15 important part of any community and we certainly have a
16 number of churches throughout our community. In fact,
17 within the last several years we have reviewed cases
18 that dealt with church property and development of
19 church property. At the same time, we also saw that
20 the City was having a difficult time and it's having a
21 difficult time in its economic development efforts.
22 Large amount of sales taxes have been lost over the
23 last several years and we felt that it was important to
24 try to maintain the integrity of certain land within
25 the city for economic development purposes; and so when

3/4/2008

Page 13

1 we reviewed the zoning ordinance, we certainly had no
2 mind to exclude churches from the community; but we
3 felt that it was important to maintain the integrity of
4 B-2 zoning and to locate churches, if they desire to
5 locate, any that came after the change was made, into a
6 B-3 classification.

7 MAYOR RILEY: Okay.

8 UNIDENTIFIED MALE: Thank you, sir. Thank you,
9 Your Honor.

10 MAYOR RILEY: All right.

11 MR. GUERRA: I'll just say --

12 MAYOR RILEY: Yes. Mr. Guerra.

13 MR. GUERRA: Can you recall -- I know that
14 there was a clause in that after the church closed it
15 had X amount of days to --

16 MAYOR RILEY: 120 days.

17 MR. GUERRA: 90? Was it 90 or --

18 MAYOR RILEY: I think it was 120 days:

19 MR. GUERRA: 120?

20 MAYOR RILEY: Uh-huh. To keep it as a church.

21 MS. MADISON: 120 days of discontinuance.

22 MR. GUERRA: Okay. How long was it -- and
23 this -- what was it, Gold Trust? They were the
24 lienholder, I'm assuming.

25 MAYOR RILEY: Goldstar Trust.

3/4/2008

Page 14

1 MR. GUERRA: How long from -- I know they
2 didn't make the 120 days.

3 MS. MADISON: No, they did not.

4 MR. GUERRA: How long -- what time limit are we
5 talking about before they raised their head again?

6 MS. MADISON: Well, actually, July 7 -- I mean
7 July the 1st, 2007 was when it went into discontinued
8 use. They had 120 days to comply.

9 MR. GUERRA: Essentially a year and a half or
10 something.

11 MS. MADISON: It was October 28th, I believe,
12 was when that became effective. So, yes, it's been
13 a --

14 MR. GUERRA: So, they've had sufficient time.

15 UNIDENTIFIED MALE: They had ample time --

16 MAYOR RILEY: Uh-huh. Right.

17 MR. GUERRA: -- to make a decision.

18 MS. MADISON: And if I may, I'd like to just
19 brief council real quickly again on some of the things
20 the commission was doing. In the zoning ordinance
21 prior to the changes that came through November, 2006
22 all churches were allowed in any district; but they all
23 had to pull a specific use permit.

24 MAYOR RILEY: Uh-huh. Right.

25 MS. MADISON: Since 1984 we've had 22 such

3/4/2008

Page 15

1 cases before you. Other types of assembly and
2 gathering uses such as like an auditorium or a dance
3 hall, entertainment both indoor and outdoor, gymnasium,
4 fitness centers, all those types of uses which are
5 classified the same way, assembly, were only allowed in
6 B-3 and they all required an SUP. Following the
7 ordinance changes adopted on November 21, 2006 by our
8 zoning commission, churches were then placed in B-3
9 with all other assembly uses. Churches were placed in
10 B-3 by right which meant that they no longer were
11 required to pull the specific use permit.

12 MAYOR RILEY: Uh-huh. Right.

13 MS. MADISON: And, finally, all other assembly
14 uses remained in B-3 but were still required to pull an
15 SUP. The total of B-3 zoning that we have in the city
16 current. The city has a total of 2200 acres. Of that
17 233.4319 are B-3. 11 percent of our total mass of land
18 in the city is currently zoned B-3. Of that we have
19 over 22 plus acres available along Grissom, Poss,
20 Wurzbach near 410 for undeveloped B-3. So, someone
21 could actually build any kind of assembly gathering on
22 those properties, as well as existing building
23 vacancies, which include, you know, the Seaward
24 subdivision near Lack's, Crossway by Chacho's and
25 Bandera Center. I think close to the H.E.B. there's a

3/4/2008

Page 16

1 building. West Loop H.E.B. has some near the H.E.B. as
2 well. The Skaggs Albertson subdivision also has two
3 vacant buildings. So, my point is that we do have
4 adequate location both in existing building as well as
5 existing land for construction of B-3, all assembly
6 use.

7 MAYOR RILEY: Okay. Very good. Thank you.
8 That was a good explanation. Anyone else have a
9 question for either Ms. Madison or Mr. Griffith --
10 Griffin? Anybody else? Okay. Well, this is a public
11 hearing. We want to hear from you and I will open the
12 public hearing up at 7:50 and I believe I have one
13 other person besides James Griffin who had signed that
14 would like to address us at this time and that's Mary
15 Frances Uptain. Ms. Uptain, would you like to address
16 us at this time? 6101 Sawyer Road.

17 MS. UPTAIN: Yes.

18 MAYOR RILEY: Okay. Great. Thank you.

19 MS. UPTAIN: My concern is that Leon Valley is
20 so very, very land locked and we do have so great a
21 need for revenue. We really do. And anytime we take a
22 piece of land out of the use for revenue producing,
23 for -- be it for any public gathering, we are losing
24 money and we cannot afford. Right now we have a
25 problem of income. I think it's 71 or 2 or 3 or 5

3/4/2008

Page 17

1 percent of our income comes from other side sources
2 than Leon Valley property taxes. We do not have the
3 luxury of helping someone who made a bad business
4 decision in not doing the research to find out what
5 they were buying into. That really we cannot afford
6 that. We would like to be helpful, but we cannot. We
7 have lots and lots of land that is off the public tax
8 roll for public use. More than probably any city
9 around. Certainly San Antonio does not have so much of
10 its percentage of land given over to gatherings and
11 public gatherings and non-tax land. I just can't
12 believe that they have that much given over. So, let
13 us, please, this council, set a precedent to let us get
14 back onto a good business funding foundation and try to
15 be a little bit more conservative in using our land as
16 wisely as possible --

17 MAYOR RILEY: Okay.

18 MS. UPTAIN: -- for the common good. Thank
19 you.

20 MAYOR RILEY: All right. Very good. Thank you
21 for your comments. We appreciate them. Anyone else
22 like to address the council at this time who has not
23 signed up on the public hearing at this time? Okay.
24 Seeing no one else, then I will close the public
25 hearing at 7:52. Okay. And stand in line for a

3/4/2008

Page 18

1 motion.

2 COUNCILMAN REYNA: I move we deny the rezoning
3 request, Your Honor.

4 COUNCILMAN MANEA: Second.

5 MAYOR RILEY: I have a motion by Mr. Reyna and
6 a second by Mr. Manea to deny the zoning request. Any
7 further discussion? All those in favor say aye.

8 (In unison aye.)

9 MAYOR RILEY: Any opposed? The zoning request
10 is denied unanimously. Thank you.

11 (End of discussion.)

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3/4/2008

Page 19

1 THE STATE OF TEXAS *

2 COUNTY OF BEXAR *

3 I, SHAN MORRIS BLANCHARD, Certified Shorthand

4 Reporter, duly commissioned and certified in and for

5 the State of Texas, do hereby certify that the

6 foregoing pages of typewriting were prepared under my

7 direction and contain and constitute a full, true and

8 correct transcript of my shorthand notes as taken from

9 audiotapes provided to me by DANIEL WENWORTH, purported

10 to be the recording of the requested portion of the

11 Leon Valley City Council Meeting as set out in the

12 title hereto.

13 IN WITNESS WHEREOF, I have hereunto set my

14 hand and affixed my seal on this _____ day

15 of _____, A.D. 2009.

20 mjc

SHAN MORRIS BLANCHARD

Certified Shorthand Reporter

in and for the State of Texas

Certificate No. 3863

Exp. Date: 12/31/10

EDDIE MORRIS COURT REPORTERS

Firm Registration No. 74

Exp. Date: 12/31/09

EXHIBIT “J-1”

**CITY COUNCIL MEETINGS OF THE CITY COUNCIL OF THE CITY OF LEON VALLEY,
TEXAS, MARCH 4, 2008**

The City Council of the City of Leon Valley, Texas, met for a Special City Council Meeting on the 4th day of March 2008 at 6:30 p.m., at the Leon Valley City Council Chambers, at 6400 El Verde Road, Leon Valley, Texas, for the purpose of the following business, to-wit:

SPECIAL CITY COUNCIL MEETING - 6:30 P.M.

Call to order.

Mayor Riley called the special meeting to order at 6:31 p.m. and asked that the minutes reflect that the following members of Council were present: Manea, Reyna, Baldrige Dean and Nelson.

City Manager Lambert, City Secretary Feutz, HR Officer/Assistant City Secretary Caldera, Development Director Madison, City Accountant Wallace and Assistant City Attorney Onion were also present.

Convene into executive session in accordance with the Texas Government Code, Section 551.072, "Deliberations about Real Property" to discuss land acquisition options.

Mayor Riley announced that City Council would convene into executive session in accordance with the Texas Government Code, Section 551.072, "Deliberations about Real Property" to discuss land acquisition options with the City Attorney at 6:31 p.m.

Reconvene into open session and consider discussion and any action as appropriate from executive session.

Mayor Riley convened the City Council into open session at 7:04 p.m. and announced that no action would be taken.

Adjourn.

Mayor Riley announced that Council would begin the Regular City Council meeting.

REGULAR CITY COUNCIL MEETING - 7:00 P.M.

The City Council of the City of Leon Valley, Texas, met for a Regular City Council Meeting on the 4th day of March 2008 at 7:00 p.m., at the Leon Valley City Council Chambers, at 6400 El Verde Road, Leon Valley, Texas, for the purpose of the following business, to-wit:

REGULAR CITY COUNCIL MEETING - 7:00 P.M.

Call to order and Pledge of Allegiance.

Mayor Riley called the meeting to order at 7:05 p.m. and asked that the minutes reflect that the following members of Council were present: Manea, Reyna, Baldrige Dean and Nelson.

City Manager Lambert, City Secretary Feutz, HR Officer/Assistant City Secretary Caldera,

**CITY COUNCIL MEETINGS OF THE CITY COUNCIL OF THE CITY OF LEON VALLEY,
TEXAS, MARCH 4, 2008**

Police Chief Wallace, Development Services Director Madison, City Accountant Wallace, Fire Chief Irwin, and City Attorney Alternate Onion were also present.

Mayor Riley asked visiting Boy Scout Stephen Aerts from Reagan High School to lead the assembled group in the Pledge of Allegiance.

Presentation by Brian Gordon of MuniServices on Hotel/Motel Tax Audit.

City Accountant Wallace introduced Brian Gordon of MuniServices stating that Mr. Gordon would present an update on their work auditing hotel/motel occupancy tax collection as requested by Council.

Mr. Gordon addressed Council stating that MuniServices was reporting on the analysis report for the first field audit of the Super 8 Hotel, which they had just completed. He reported that MuniServices had provided educational guidance to the hotel staff on the tax collection and in their audit found a deficit of \$1800 in taxes because the hotel had incorrectly exempted some stays. He reported that the audit reviewed a four-year period and he informed Council that MuniServices would be auditing the next two hotel/motel properties in the city over the next two years.

Presentation of the San Antonio/Bexar County Metropolitan Planning Organization (MPO) Walkable Community Program and Bike Route Master Plan by Isidro Martinez, Executive Director, MPO.

Mayor Riley welcomed Isidro "Sid" Martinez, Executive Director of the San Antonio/Bexar County Metropolitan Planning Organization (MPO) to the meeting. Mr. Martinez gave a brief overview of the MPO's mission to plan regional transportation. Mr. Martinez presented information on the "Walkable Community Program." He explained the process for the City to apply for services from the MPO as part of the Walkable Community Program. He explained that the City would submit an application, the application would be reviewed by the MPO and if accepted, the City would invite citizens to a workshop to learn about the opportunities that the program can bring to the community, a map exercise would identify issues for evaluation, a walkabout with the group and agency staff would further identify issues and recommend improvements, and finally, a report would be provided to the City to use for requesting MPO or grant funding for financial assistance to implement programs toward a walkable community. Mr. Martinez stated that after applying for the project, it would take a minimum of two months before the project work could begin.

Discussion continued on how other local cities have used MPO assistance, if the MPO project could compliment the AIA SDAT projects, and that there were no bike map routes on the MPO bike map in Leon Valley. In answer to Council questions, Mr. Martinez confirmed that if the City accepted MPO funding for a project under this program, there was no connection, ties or obligation to funding for toll roads or projects for future Bandera Road expansion.

Citizens to be heard and time for objections to the Consent Agenda.

Mayor Riley asked Councilmembers if they wished for anything on the Consent Agenda to be removed from that agenda for further discussion. Hearing no requests, Mayor Riley then asked if anyone in the audience wished to address the Council.

**CITY COUNCIL MEETINGS OF THE CITY COUNCIL OF THE CITY OF LEON VALLEY,
TEXAS, MARCH 4, 2008**

Resident Mary Frances Uptain, of 6101 Sawyer Road, informed Council that if they put sidewalks along Bandera Road they should issue gas masks to protect citizens from auto emissions. She expressed her concerns about construction trucks, from the construction project that borders Sawyer Road, using the fire exit to access Sawyer Road and possibly damaging that road. Mrs. Uptain also thanked Mayor Riley for acknowledging resident Nell Sawyer, who just celebrated her 100th birthday.

Trade and Market Committee Chair Nita Lange addressed Council reminding them of this year's first Trade and Market Day to be held Saturday, March 8, 2008 from 9:30 a.m. - 4:30 p.m. She thanked Council for agreeing to serve as judges for the car show to be held at the Trade and Market Day and announced that the Chief of Police would also be judging.

Mayor Riley asked if anyone else would like to address the Council at that time, seeing no one, Mayor Riley asked for a motion to approve the items listed on the Consent Agenda.

Consent Agenda

Consider approval of minutes of the Council Workshop and Regular City Council Meeting of February 19, 2008 (Feutz).

Consider M&C # 03-01-08 - a request to authorize the City Manager to exercise the City's option with Frost National Bank to continue the existing depository services contract (Wallace).

Consider M&C # 03-02-08 with attached ordinance - a request to amend Leon Valley City Code, Chapter 26, "Traffic and Parking", by creating a new Section 26.2600 "Block Party", and prescribing penalties of no less than fifty dollars (\$50.00) or more than five hundred dollars (\$500.00) (Chief Wallace).

A motion was made by Councilmember Dean, seconded by Councilman Reyna to approve the items listed on the Consent Agenda. Upon vote, Mayor Riley announced that the motion carried approving all items on the Consent Agenda.

REGULAR AGENDA

Public hearing to consider Zoning Case #08-380 - with attached Ordinance - a request by Patrick Christensen, agent for Goldstar Trust Company applicant and property owner, to rezone approximately 3.803 acres of land from B-2 (Retail) to B-3 (Commercial), being Lot 4, CB 4429J, Seneca Estates Subdivision Unit #7, located at 6401 Bandera Road. On February 26, 2008, the Zoning Commission recommended denial of the request by a vote of 6-1 (Flores/Madison).

Development Services Director Madison addressed Council to present information on Zoning Case # 08-380 stating that the request was to rezone approximately 3.803 acres of land from B-2 (Retail) to B-3 (Commercial) zoning at 6401 Bandera Road. Ms. Madison described the Master Plan recommendations for the site, the surrounding zoning and the property development history. Ms. Madison explained that the 2003 Master Plan encourages B-2

**CITY COUNCIL MEETINGS OF THE CITY COUNCIL OF THE CITY OF LEON VALLEY,
TEXAS, MARCH 4, 2008**

(Retail) zoning to a depth of 200 feet along Bandera Road and discourages B-3 (Commercial) zoning for this area. She noted that the Master Plan recommendations had not changed since the 1991 Master Plan recommendations for that site.

Ms. Madison explained that the case had been postponed to March 4, 2008 so that the applicant's representative could submit restrictive covenants for consideration. She explained that the City Attorney had reviewed the covenants and had noted that the covenants could not be enforced by the City and that a variance or special exception from the Board of Adjustment was not applicable to this zoning case, but rezoning to B-2 was the only option for the applicant.

Zoning Commission Chair Guerra addressed Council reported that on February 26, 2008, the Zoning Commission recommended denial of the rezoning request by a vote of 6 to 1. Chair Guerra reported that the Commission felt that it was important to maintain the primo economic development corridor in the City as B-2, as the Master Plan recommends.

Ms. Madison reported that 25 letters were mailed to property owners with 200 feet of the property and that 11 responses were received back from property owners with that 200 feet: 0 were in favor of the case, 11 were opposed to the zoning change, and 0 were returned undeliverable. She also reported that 34 additional letters were received from property owners outside the 200-foot zone.

James Griffin, from Brown, P.C. introduced himself stating that he was appearing from Patrick Christensen, agent for Goldstar Trust Company. Mr. Griffin explained that Goldstar acquired the property thinking that they had the non-conforming use rights and were hoping to lease or sell the property back to Church on the Rock. He explained that the building can only be used as a church and that they felt that because the use "church" was previously allowed in a B-2 (Retail) zoned property, that the use was not inappropriate to the site.

Assistant City Attorney Onion explained that zoning law in Texas bans spot zoning which takes a specific piece or property out of the Master Plan and zone it differently. He also stated that the restrictive covenants could be set aside by a property owner and are not enforceable by the City. He stated that if the property was rezoned to B-3, the restrictive covenants are not enforceable by the City, and then any B-3 zoning on the site.

Chairman Guerra explained that the Commission felt that churches were an important part of the City's community but the Commission also weighed the importance of land for economic development purposes for certain zoning districts.

Ms. Madison briefed Council regarding changes in the Zoning Code made in 2006 specifically for the use "church". She noted that other assembly uses were only allowed in B-3 (Commercial) zoned districts with a Specific Use Permit. She noted that the changes in the Zoning Code moved the use "church" from the B-2 (Retail) to the B-3 (Commercial) zoning district with other assembly uses, but the use "church" did not require a Specific Use Permit. Ms. Madison noted that the City had over 22 acres of undeveloped B-3 zoned properties in the City and had a number of other vacant developed B-3 zoned properties in the City that could be used for the assembly use.

Mayor Riley opened the public hearing at 7:50 p.m. and invited anyone in the audience to address Council on the proposed zoning case.

**CITY COUNCIL MEETINGS OF THE CITY COUNCIL OF THE CITY OF LEON VALLEY,
TEXAS, MARCH 4, 2008**

Resident Mary Frances Uptain addressed Council voicing her objection to the rezoning request stating her concerns that the City should keep the land for B-2 zoning use and return the land to tax rolls for the common good.

Hearing no one else, Mayor Riley closed the public hearing at 7:52 p.m.

A motion was made by Councilman Reyna, seconded by Councilman Manea, to deny Zoning Case No. 08-380. Upon vote, Mayor Riley announced that the motion was approved by unanimous vote and the zoning case was denied.

Discussion Agenda

Discussion on appointment of AIA Steering Committee members.

City Manager Lambert reported that Mayor Riley, Ms. Madison, and he had a phone conference with Erin Simmons, of the American Institute of Architects (AIA) from Washington, D.C. at the end of last week. He reported that the Sustainable Design Team Assistance (SDAT) project's start hinged on the appointment of a Project Chairman, but that they expected their first meeting with the City to be held in April with the three-day charrette to be held in June or July of this year. He stated that information from Ms. Simmons indicates that the Steering Committee can participate as much as they can and will help the AIA members put together the plan. Mr. Lambert added that the Committee could include regional business members and citizens of Leon Valley.

Mayor Riley reported that the SDAT Project Manager is appointed by the AIA from outside of our area to bring fresh perspective to the design plan and that two local AIA members will participate on the Steering Committee and they could be available to help the City implement the plan. She stated that Tim Baisdon had agreed to be a member of the Committee.

Council discussed having citizens from all areas of the City participate on the Steering Committee and Mayor Riley asked each Councilmember to provide recommendations for the next Council meeting's consideration to appoint members to the Steering Committee.

City Manager's report.

City Manager Lambert reported that negotiations were continuing for engineers to provide engineering services to the City. He reported that the four finalists were in negotiations that would allow the City to use individual firms for projects in which they had particular expertise: Gonzales/De La Garza Associates for street projects; SIA Engineering for plan reviews, Bury and Partners for sewer projects, and Civil Engineering Consultants for water systems and wells. He recommended that a contract be readied first with the Gonzalez-De La Garza and Associates firm to begin work on this year's street program and then work with the firm Civil Engineering Consultants for water projects. Mr. Lambert explained that he planned to continue to have SIA Engineering Services provide plan reviews with development projects and he reminded Council that development project fees collected usually pay for plan review fees.

Mayor Riley asked that a workshop be planned on the water projects before the City decides what water projects they will target in the future.

**CITY COUNCIL MEETINGS OF THE CITY COUNCIL OF THE CITY OF LEON VALLEY,
TEXAS, MARCH 4, 2008**

Citizens to be heard.

None appeared.

Announcements.

Councilmember Dean complimented the Zoning Commissioners on their work on zoning cases and thanked them for their dedication.

The City Secretary announced that the "Meet the Candidates" event flyer and the Election Notice were available and reminded everyone of election deadlines.

Chief Wallace addressed Council stating that graffiti had been cleaned off fences, but new graffiti had appeared in the area right after all had been cleaned. Councilmember Dean commented on the poor appearance of the old Albertsons and Petco business buildings. It was recommended that when graffiti is cleaned, the City's ordinance should require that the wall, fence, or building should be put back to the original appearance/color.

Mayor Riley reported on the good public turnout for last week's meeting on the proposed joint Crystal Hills Park, with the City of San Antonio, to be located at the end of Shadow Mist. She asked everyone to complete a survey available on the City's website, to inform the City of San Antonio's Parks and Recreation Department know what the public would like to see in the new park. She reported that she also asked that the deadline of March 21, 2008 for the surveys be extended.

Mayor Riley also reported she and staff members, Amy Madison and Kristie Flores, had met with Seneca III residents to open the dialogue on the residents' vision of development for vacant properties in their neighborhood.

Mayor Riley invited everyone to see and experience a BRT bus on March 6, 2008 at 4:00 p.m. at the Community Center. She stated that the bus was here to help celebrate VIA's 30th Anniversary.

Mayor Riley announced that TxDOT would permanently close the Evers Road exit off Loop 410 on March 7th for the newly configured exit ramps to Bandera Road and also announced the Friends of the Library Spring Used Book Sale to be held from March 6 - 8, 2008 from 10:00 a.m. - 6:00 p.m.

Mayor Riley reported that she had spoken with the former manager of the now-closed Luby's Restaurant on Bandera Road. She informed Council that the Luby's closed when they found out that the new elevated ramps would close the cross-over on Bandera Road in front of Luby's.

Mayor Riley invited anyone present to take a sign to post in their yard the night before their usual recycling day to remind their neighbors to recycle. She thanked the Earthwise Living Committee for their work on the 19th Annual Earthwise Living Day and also thanked staff - Valerie Siat, Fred Stoiz, and other Public Works Staff for their work to support the event.

**CITY COUNCIL MEETINGS OF THE CITY COUNCIL OF THE CITY OF LEON VALLEY,
TEXAS, MARCH 4, 2008**

Adjourn.

A motion was made by Councilman Reyna, seconded by Councilmember Dean, to adjourn. Hearing no other business or comments, Mayor Riley announced the meeting adjourned at 8:27 p.m.

ATTEST:

Chris Riley
Mayor

Marie Feutz
City Secretary

*Minutes approved by majority vote of the Leon Valley City Council at the March 18,
2008 Regular City Council Meeting.*